

Disclosure Statement Hearing Date and Time: August 30, 2011 at 10:00 a.m. (Prevailing EST)

Disclosure Statement Objection Date and Time: August 11, 2011 at 4:00 p.m. (Prevailing EST)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11 Case No.**
:
LEHMAN BROTHERS HOLDINGS INC., et al., : **08-13555 (JMP)**
:
Debtors. : **(Jointly Administered)**
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**STATEMENT OF THE BAUPOST GROUP, L.L.C., IN SUPPORT OF THE PROPOSED
"DEBTORS' DISCLOSURE STATEMENT FOR SECOND AMENDED
JOINT CHAPTER 11 PLAN OF LEHMAN BROTHERS HOLDINGS INC. AND
ITS AFFILIATED DEBTORS PURSUANT TO
SECTION 1125 OF THE BANKRUPTCY CODE" [DOCKET NO. 18125]**

TO THE HONORABLE JAMES M. PECK, UNITED STATES BANKRUPTCY JUDGE:

The Baupost Group, L.L.C. ("Baupost"), as the general partner and investment manager for limited partnerships which beneficially own claims against various Debtors, by and through its counsel, Stutman, Treister & Glatt PC, hereby submits this statement in support of approval of the proposed "Debtors' Disclosure Statement for Second Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors Pursuant to Section 1125 of the Bankruptcy Code" (the "Disclosure Statement") [Docket No. 18125], filed by Lehman Brothers Holdings Inc. and its affiliated chapter 11 debtors (the "Debtors"), and states as follows:

1. The Disclosure Statement relates to the Debtors' "Second Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors" (the "Plan") [Docket No. 18124]. The Plan is the result of intense, and often hard-fought, negotiations among the Debtors, the Creditors' Committee, and numerous creditor groups and individual creditors holding substantial claims across the Lehman capital structure. The fact that such a diverse cross-section of creditors with sharply conflicting economic interests have joined in supporting this Plan is a significant accomplishment in these cases. Baupost supports confirmation of the Plan.¹

2. Baupost supports the approval of the Disclosure Statement. To the best of Baupost's knowledge, the Disclosure Statement provides adequate information, as required by Bankruptcy Code § 1125. Baupost also believes that it is in the best interests of the estates and creditors that

¹ Baupost does, however, reserve all of its rights under the terms of Baupost's Plan Support Agreement with the Debtors.

following the approval of the Disclosure Statement, the hearing on confirmation of the Plan and, thereafter, the commencement of distributions to creditors, occur as promptly as practicable.

Dated: August 10, 2011

Respectfully submitted,

STUTMAN, TREISTER & GLATT P.C.

By: /s/ Isaac M. Pachulski

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CERTIFICATE OF SERVICE

On August 10, 2011, I personally caused copies of the affixed Statement Of The Baupost Group, L.L.C., In Support Of The Proposed "Debtors' Disclosure Statement For Second Amended Joint Chapter 11 Plan Of Lehman Brothers Holdings Inc. And Its Affiliated Debtors Pursuant To Section 1125 Of The Bankruptcy Code" to be sent via Federal Express, next day delivery, to (i) the chambers of the Honorable James M. Peck, United States Bankruptcy Judge, One Bowling Green, Courtroom 601, New York, NY 10004; (ii) Weil, Gotshal & Manges LLP, Harvey R. Miller, Lori R. Fife, Alfredo R. Perez, 767 Fifth Avenue, New York, NY 10153; (iii) Office of the U.S. Trustee, Region 2, Attn: Elisabetta Gasparini, Andrea Schwartz, 33 Whitehall Street, 21st Floor, New York, NY 10004; and (iv) Milbank, Tweed, Hadley & McCloy LLP, Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., Evan Fleck, Esq., One Chase Manhattan Plaza, New York, NY 10005.

/s/ Isaac M. Pachulski

Isaac M. Pachulski